The year 2016 has proven to be a busy year for the Protective Association. We are pleased and proud to have received a three-year term comprehensive health plan accreditation from Accreditation Association for Ambulatory Health Care, Inc. (AAAHC). The arduous process took months to complete, but in the end, it made us a better Plan and better equipped to serve you.

This newsletter is packed with information about our 2017 Foreign Service Benefit Plan (FSBP) benefits, as well as suggestions regarding what to do when you return from an overseas post and the rising costs of long term care.

FSBP will continue to provide excellent benefits at very competitive premiums. While the average enrollee share of the Federal Employees Health Benefits (FEHB) premium will increase in 2017 by 6.2%, FSBP is pleased to announce minimal changes in our rates.

<table>
<thead>
<tr>
<th>Foreign Service Benefit Plan 2017 Premiums</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bi-Weekly Premium</strong></td>
</tr>
<tr>
<td>Self Only: Code 401</td>
</tr>
<tr>
<td>$64.44</td>
</tr>
<tr>
<td>Self Plus One: Code 403</td>
</tr>
<tr>
<td>$157.84</td>
</tr>
<tr>
<td>Self and Family: Code 402</td>
</tr>
<tr>
<td>$159.41</td>
</tr>
<tr>
<td><strong>Monthly Premium</strong></td>
</tr>
<tr>
<td>Self Only: Code 401</td>
</tr>
<tr>
<td>$139.62</td>
</tr>
<tr>
<td>Self Plus One: Code 403</td>
</tr>
<tr>
<td>$341.99</td>
</tr>
<tr>
<td>Self and Family: Code 402</td>
</tr>
<tr>
<td>$345.40</td>
</tr>
</tbody>
</table>

Please note that last year’s issue with the government contribution for Self Plus One seems to have been resolved.

For our two-party family members, this is the year to change from Self and Family to Self Plus One, since the 2017 premium is lower than Self and Family.

FSBP remains committed to providing members benefits and programs to help get them healthy and remain healthy. Your wellness is a main focus for us and over the years we have added programs and services to support your goals. In 2016, we provided a new and fresh comprehensive Living Well Together Program. I am pleased to see many of our members take advantage of this program by taking the 3 Simple Steps. The Health Risk Assessment and Biometric Screening provide you essential information about your health and helps to identify areas for focus. The choice of over a dozen Healthy Actions makes it easy to start the journey toward a healthier you. And, of course, the up to $250 in Wellness Incentives provides an extra bonus! Don’t stop there – 2017 is right around the corner and our added benefits will provide even greater opportunity for members. Read more about Wellness Program on page 4.

This year, the American Foreign Service Protective Association (AFSPA) celebrated our longstanding partnership with the Federal Education Association. We acknowledged 20 years of cooperation and collaboration with one common goal – service to our joint members who face unique challenges. Together, we have worked on issues that really make a difference in the quality of life for these members. Please read more about the July festivities on page 3.

Our membership numbers continue to grow, as reported last year. In fact, FSBP is responsible for the health care of almost 58,000 lives, a 9.2% increase over just last year alone. In response, we have added new team members to better serve you by responding more quickly to your calls and inquiries. See a picture of the new staff members with Board Chairman Tom Tracy on page 15. In addition, Aetna has added staff to provide faster claims processing.

As you can see, much change and growth has occurred over the last few years. But one thing has not changed – and that is the personal relationship we have with our members. Every member of the AFSPA team is committed to serving you. Once again, Kyle Longton, our COO, answers some of your questions and addresses your more pressing concerns in his AFSPA Listens column on page 14.

We will be busy over the next few months conducting Open Season talks and activities throughout the world. Please look on our website and Facebook page for the locations. Please stop by and see us, if our paths cross.

The Protective Association strives every day to deliver on our Mission and to provide the level of service our members have come to expect from us. Thank you for your trust in us and giving us the opportunity to serve you.

To your health.

Paula S. Jakub, RHU
CEO, AFSPA

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Members of the Board of Directors are Career Foreign Service or other Executive Branch personnel, on active duty or retired. They serve the Association without compensation.
Celebrating 20 years of partnership, cooperation and making a difference in OUR members’ lives.

In July, AFSPA and the Federal Education Association (FEA) celebrated a milestone in their relationship: 20 years of joint service to their members. In 1996, then-President of the FEA, Ms. Jan Mohr, approached AFSPA about opening its membership to Department of Defense (DoD) teachers. This began a relationship that would expand AFSPA membership to DoD civilians around the globe.

AFSPA Chairman Tom Tracy and FEA President Chuck McCarter presented Ms. Mohr with a plaque to recognize her work in forging the partnership. Members of the AFSPA board and staff, as well as partners from Aetna and Express Scripts, attended a celebratory reception in the evening.

We look forward to continuing and strengthening our relationship with FEA over the next 20 years and beyond!
### Benefit Changes to the 2017 Foreign Service Benefit Plan

Below is a summary of the changes to the 2017 Foreign Service Benefit Plan. Please review the 2017 Brochure posted on our website [www.afspa.org/fsbp](http://www.afspa.org/fsbp) for the complete coverage information.

<table>
<thead>
<tr>
<th>Benefit Category</th>
<th>Description of Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 5(a) – Telehealth services</strong></td>
<td>Added a benefit for telehealth consultations within the 50 United States with no member cost using our vendor, American Well (Amwell)</td>
</tr>
<tr>
<td><strong>Section 5(a) – Lab, X-ray and other diagnostic tests</strong></td>
<td>Removed exclusion for 3D breast tomosynthesis and pay subject to calendar year deductible and coinsurance</td>
</tr>
<tr>
<td><strong>Section 5(a) – Maternity care</strong></td>
<td>Added a benefit for genetic testing for specific conditions and pay up subject to coinsurance (no deductible)</td>
</tr>
<tr>
<td><strong>Section 5(a) – Orthopedic and prosthetic devices</strong></td>
<td>Implanted hearing aid devices subject to calendar year deductible and coinsurance</td>
</tr>
<tr>
<td><strong>Section 5(a) – Weight Management Program</strong></td>
<td>Increased dollar limit for hearing aids to $4,000 per person every five consecutive calendar years (no deductible)</td>
</tr>
<tr>
<td><strong>Section 5(b) – Surgical and anesthesia service</strong></td>
<td>Coverage of initial evaluation and up to 12 counseling visits per year (no deductible), not subject to $2,000 Program maximum</td>
</tr>
<tr>
<td><strong>Section 5(e) – Mental health and substance abuse benefits</strong></td>
<td>Coverage of voluntary sterilization for men made equal to the benefit for women</td>
</tr>
<tr>
<td><strong>Section 5(f) – Prescription drug benefits</strong></td>
<td>Added coverage for Applied Behavior Analysis assessment and treatment subject to coinsurance and calendar year deductible; preauthorization required worldwide</td>
</tr>
<tr>
<td><strong>Section 5(h) – Simple Steps to Living Well Together Program and Wellness Incentives</strong></td>
<td>Capped member cost to $500 maximum copay per prescription for Tier III (non-Preferred brand name) drugs at mail order. Note: The Plan’s formulary list will continue to change from time to time</td>
</tr>
</tbody>
</table>

This is a summary of the Plan’s benefit changes. Please read the Plan’s Official Brochure RI72-001. All benefits are subject to the definitions, limitations, and exclusions set forth in our Plan Brochure.

### Wellness Benefit Getting Broader!

The Plan increased the number of Healthy Actions to choose from to earn a Wellness Incentive. In addition to our 12 existing Healthy Actions, we added 3 new ones:

- **Controlling Blood Pressure** for members with high blood pressure - The Plan will reach out to you if you are identified through claims data as having high blood pressure and will provide you a form for your provider to complete.
- **Controlling A1c Hemoglobin levels** for members with diabetes - The Plan will reach out to you if you are identified through claims data as having diabetes and ask you to have your provider submit your A1c laboratory results.
- **Prenatal Care for members** who are pregnant - Your provider must submit documentation of a prenatal care visit during the first trimester.

- ✔ Completing your Health Risk Assessment (HRA) annually is an important first step to guiding your personal health goals. Healthy Actions may be completed at any time to receive a Wellness Incentive.
- ✔ Due to IRS regulations, FSBP can no longer offer gift cards. All earned Wellness Incentives, including those for the Healthy Actions, will go in a Wellness Incentive Fund Account. You can earn $100 to be deposited in your account for the HRA and $100 for the Biometric Screening. Performing a Healthy Action still earns you $50 to be deposited into your fund. That’s $250 in incentives per year.
- ✔ Money in your fund can be used for Eligible Medical Expenses, as defined by IRS Section 213(d), which include your deductible, coinsurance, and copayments (e.g., prescription drug copayments). Other expenses, like dental, vision, and prescriptions purchased through the Plan’s retail pharmacy network or home delivery program cannot be reimbursed automatically. You will need to submit a copy of your receipt with a completed Wellness Incentive Coventry Fund Claim Form found on My Online Services.

See the Wellness Brochure that is included in our Open Season member mailing.
Breast cancer is the most common cancer among women in the United States. About 1 in 8 women in the U.S. will be diagnosed with breast cancer over the course of her lifetime. Although we do not know how to prevent breast cancer, there are steps women can take to reduce their risk of developing it, and to find it early if it does occur.

Some risk factors for breast cancer cannot be changed, such as age, race, family history of the disease, and reproductive history. However, lifestyle factors such as reducing alcohol use, getting regular physical activity, maintaining a healthy weight, and breast feeding are all associated with lower risk.

**Early Detection is Key**

Annual mammograms can detect cancer early — when it is most treatable. In fact, a mammogram often can identify breast changes that may be cancerous before physical symptoms develop. However, some cancers that are not apparent on a mammogram may still be felt by a woman or her health care provider.

Current guidelines from the American Cancer Society recommend that women receive annual mammograms starting at age 40 — even if they have no symptoms or family history of breast cancer. Catching breast cancer early gives women more options for treatment and a better chance of living a longer, healthier life. And, that's especially true for the two and a half million breast cancer survivors in the United States.

**Annual Breast Cancer Screening Coverage**

FSBP covers Breast Cancer Screening mammograms (including 3D breast tomosynthesis starting in 2017) — once per calendar year for women age 35 and older. If you are not within this age range, but have a family history or a high risk factor that indicates the need for screening, you may receive breast cancer screenings as frequently as needed.

The American Cancer Society recommends the following guidelines for finding breast cancer early:

- Women age 40 and older should have a mammogram every year and should continue to do so for as long as they are in good health.

- Women in their 20s and 30s should have a breast exam by a health professional every three years. Beginning at age 40, women should have a breast exam every year.

- Women should know how their breasts normally feel and report any breast changes promptly to their health care provider. Breast self-examination is an option for women starting in their 20s.

**Helpful Mammogram Tips**

- Schedule your mammogram when your breasts are not tender or swollen to help reduce discomfort and to ensure a good picture. Try to avoid scheduling it the week just before your menstrual period.

- On the day of your mammogram, don’t wear deodorant or antiperspirant. Some of these contain ingredients that can interfere with the reading of the mammogram.

- You might want to wear a skirt or pants, so you’ll only need to remove your top for the exam.

- If you do not hear from your doctor within 10 days, do not assume your mammogram was normal — call your doctor or the facility to inquire about your results.

**You Have the Power**

You can’t prevent breast cancer, but you do have the power to take charge and make sure you get the screenings you need to detect any health problems early.

Source: www.cancer.org

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**Open Season Health Fair at Department of State**

You have asked us to include information about the Annual Department of State Open Season Health Fair. There are two Health Fairs sponsored by the Department. The **FOREIGN SERVICE BENEFIT PLAN** will have representatives at both Health Fairs to answer your questions:

**Department of State**

Harry S. Truman Building • Exhibit Hall
23rd and C Streets, NW
Washington, DC 20520

**Tuesday • November 29, 2016**
10:00am – 2:00pm

**National Foreign Affairs Training Center**

Wood Lobby
4000 Arlington Blvd.
Arlington, VA 22204

**Wednesday • November 30, 2016**
10:00am – 2:00pm

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Commitment to Service • 5
**Back from Overseas**

By LaCretia Driver, Member Service Specialist

Over the years, I’ve had the pleasure of speaking with hundreds of members. Recently, I’ve found that many of them did not know that the Plan works differently in the U.S. than it does overseas. For example, when filling covered prescriptions in the U.S., you must present your FSBP insurance card at a network pharmacy. But if you are overseas, you pay upfront and send a claim into the Plan to be reimbursed. Also, certain prescription drugs require preauthorization and are not covered without approval (call ESI at 800-818-6717). A few other differences in the benefits include:

* **Massages** Who doesn’t enjoy a relaxing massage? It’s a great alternative treatment benefit, but if you are in the states, you must make sure the provider is licensed/certified. The licensure credentials are required when submitting claims to be reimbursed.

* **High End Radiology** These procedures require precertification, preauthorization, or concurrent review. Examples of these procedures include, but are not limited to, CT Scans, PET Scans, SPECTs, and MRIs (except in the case of an accident or a medical emergency). This also includes chemotherapy and radiation therapy.

* **In-Network vs. Out-of-Network** The Plan uses the Aetna Choice POS II (Open Access) network in the U.S. and the NetCare network in Guam. This means that certain hospitals and other health care providers are in-network. When you use an in-network provider, you generally will receive covered services at reduced costs. We encourage you to contact our office for names of in-network providers and to verify their continued participation. You can also access our network directory through our website www.afspa.org/fsbp or call 202-833-4910 for additional information.

Lastly, all inpatient hospital stays in the U.S. must be precertified. You must call 800-593-2354 before admission. We will reduce our benefits by $500 if no one contacts us for precertification. This is true for all plans in the FEHB.

*These are just a few tips you might find helpful when returning to or visiting the United States!*

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**What People are Saying**

“Now that I am retiring from the FEA, I can speak freely to any member who will listen about the real benefits of AFSPA. When my colleague and fellow FSBP member was injured last summer, two elements were necessary for him to be rehabilitated quickly after undergoing substantial corrective surgery. The first element involved his unique will power. The second element was the substantial support he received from AFSPA.”

Michael Bauernfeind
FEA Pacific General Counsel

“AFSPA is the best insurance system I have worked with in my 25 years here as Director of the International Health Care Center, Yonsei University Severance Hospital. We see more than 60,000 foreigners a year at this center. My staff of doctors, nurses, and administrators will all testify to the professionalism and especially the compassion that your organization shows to patients and medical professionals. It has been a pleasure working with you and I hope that the relationship continues for many years in the future.”

John Linton
Director, International Health Care Center
Chairman, Department of Family Medicine

“Praise for Health Benefits Officer, Lyndon Hines

“I want to point out the excellent customer service given by Lyndon Hines. He is one of the most helpful customer service representatives that I have ever worked with. He went out of his way to answer all of my questions and to take care of some problems that I was having. Lyndon Hines, thank you again for all of your help.”

Andrew H.
Seoul, South Korea
To Snack or Not to Snack?
Eating between meals has a reputation as a bad habit. But with the right choices, snacking can increase your energy level, enhance your memory and mood, improve your nutrition, and help you manage your weight.

Ingredients for a healthy snack
- Less than 200 calories:
  - Holds you over until mealtime and keeps up your metabolism
- At least 3 grams of fiber:
  - Slows digestion for sustained energy
- 5 grams of protein:
  - Increases feeling of fullness and satisfaction
- Less than 12 grams of fat:
  - Helps you to stay within daily limits of fat intake
- Low in sugar:
  - Helps keep total sugar intake to the recommended 6 teaspoons for women and 9 teaspoons for men

Smart snacking tips
- Plan ahead with pre-portioned snacks. Take them with you to work and on the go so you won’t be tempted by vending machines or convenience foods.
- Keep healthy snacks visible and within reach. Put out whole fruit in a bowl on the counter, or cut up vegetables in advance.
- Avoid fruit juices, energy drinks, and flavored coffees. They add sugar and calories without adding nutrition.
- Think before you snack. Ask yourself if you are snacking from hunger or boredom.

Snacking ideas
- ½ cup grapes plus 1 stick light mozzarella string cheese
- 5 whole-grain crackers with ½ cup cottage cheese
- ¼ cup hummus and 3 carrot sticks
- ½ cup pumpkin seeds in shell
- Half a turkey sandwich on whole-grain bread
- 1 tablespoon peanut butter and a medium apple
- 1 ounce package of almonds

Technology Keeps Shipped Medications Cool
The Express Scripts Pharmacy uses innovative technology to keep medications shipments cool. Even in warmer weather, patients need not worry about delivery of their prescription medications. Express Scripts takes extensive measures to ensure shipments of prescription drugs are not impacted.

Engineered For Safety
In 2006, Express Scripts created a program that uses complex algorithms combined with National Weather Service data to determine the best packaging for the safe delivery of medications.

At the Express Scripts pharmacies, all medications that require temperature controls – such as insulin, many specialty medications, hydrocortisone, and various other creams and gels – are stored in open-air coolers similar to those in the dairy department of a grocery store.

A prescription for a medication requiring temperature control is pulled and sealed in a shipping bag. Then, the automated process diverts the medication on a separate temperature path to assure proper temperature and shipping in specially prepared coolers.

Keeping Cool
Depending on the needs of the specific package, delivery time ranges from the next morning to two days. Every part of the process is planned to ensure the safety of the medication while maintaining efficiency. Express Scripts’ innovative technology is especially helpful to our overseas members.

If you think a prescription may be temperature sensitive, email ExpatriateProcessingGen@express-scripts.com to confirm overseas shipping is your best alternative and to confirm delivery. There are temperature sensitive drugs which are not safe to ship. If so, ESI will contact you for an alternative shipping address.

The Foreign Service Benefit Plan proudly welcomes HCA Healthcare UK as a direct billing partner. Their “world-class private hospitals” are located primarily in London. HCA has agreed to bill us directly for your inpatient care and receive payment directly from us for certain covered services per our agreement with them. We are looking forward to a long-standing relationship with their health care system.
When Mary first visited DC Chiropractic on K Street, she was desperate. The lower-back pain that had once been intermittent had slowly come more frequently, and more intensely, and the previous two weeks of her life had been quite difficult. The pain had become a companion, making it difficult to concentrate on conversations – which had made both work and home life even more stressed than they already were. In her first chiropractic visit, Mary underwent a series of tests to help the doctor understand what might be causing her pain; she was impressed with how the doctor took time to speak with her about how she was feeling. He even spoke with her about her diet, exercise goals, and where she pictured herself in five years. However, she left the office after the first visit somewhat disappointed – no adjustments, no pain relief.

While Mary is fictional, the experience described above is typical of the patients seen by Dr. Alan Lichter, the owner of DC Chiropractic. Chiropractors are trained by chiropractic colleges and licensed for practice by state medical boards. The vast majority of patients come in because of physical pain, and back pain is among the most common reasons.

Dr. Lichter has been a practicing chiropractor for 33 years, and most of his new patients come in because of neck or back pain and headaches. However, “Aches and pains are the least of it. They’re the last thing to show up and the first thing to go.” Dr. Lichter’s mission is to help patients’ bodies heal themselves.

According to the National Center for Complementary and Integrative Health, the basic idea of chiropractic care is that “the relationship between the body’s structure (primarily that of the spine) and its function (as coordinated by the nervous system) affects the patient’s health.” While chiropractors use a wide range of diagnostic tools (including imaging and laboratory tests, as medical doctors would use), their primary treatment is spinal manipulation, also called chiropractic adjustment.

Dr. Lichter explains that the naturally functioning state of the human body is health. The nervous system controls the whole body. Injuries, illnesses, and everyday stresses can interfere with the normal functioning of the nervous system, which in turn keeps your body from functioning well. Chiropractic care is the practice of adjusting the spine to remove nerve interference allowing the body to express its full health potential.

“If you have a broken leg, you go to an orthopedist. He gives you a cast. The cast doesn’t heal your leg, it allows the body to heal itself. That’s where chiropractic lives,” says Dr. Lichter. As a Doctor of Chiropractic (DC), he focuses on the whole patient, and how best to help them maintain their health. He explains his focus in opposition to the “medical model,” where medical doctors generally treat symptoms and see patients only when their health has deteriorated in some manner. By providing care to well patients, Dr. Lichter plays an important role in helping them maintain their health.

The majority of Dr. Lichter’s patients pay him out-of-pocket, because even in 2016 many insurance plans either do not cover chiropractic care or pay very little for the care. However, Dr. Lichter says, “I have two patients with the Foreign Service Benefit Plan. It covers virtually 100%. FSBP is one of the best.” FSBP’s policy covers up to $60 per visit, for up to 40 visits per year, with no referral needed. Check your Plan brochure, at home or online at www.afspa.org/fsbp, for details.

You can learn more about Dr. Lichter and about chiropractic care at:

www.dralanlichter.com
https://nccih.nih.gov/health/chiropractic
www.chiropractic.org

1 Mary is a fictional compilation of patients discussed anonymously with Dr. Lichter.
**Telehealth is the wave of the future and FOREIGN SERVICE BENEFIT PLAN is riding it!**

We are excited to announce an important new benefit for our members, called Telehealth.

**What is telehealth?**
Health care delivery used to be based on face-to-face interactions with your medical professional. Technology is changing that, and for the good. You no longer have to pack up the kids and drive them to the doctor’s office – or worse, the hospital ER for non-emergency care, which can be frightening for them when your doctor’s office is closed – and time consuming for you. A third of telehealth visits occur on a weekend.¹

Telehealth utilizes a secure mode of transmission of medical information between a patient and a medical professional. It provides 24/7, on demand access to medical professionals via phone, mobile, and video. Doctors can treat and prescribe medications (if necessary) for common health issues such as: colds, flu, fever, rash, ear infections, and migraines. In addition, you can “see” a therapist for ongoing counseling for concerns such as: depression, anxiety, stress, and a dietician for diet and nutrition help.

Our telehealth benefit is provided by our telehealth vendor American Well (Amwell). The medical professionals available are Doctors of Medicine (MDs), Registered Dieticians (RDs), Licensed Clinical Social Workers (LCSWs), and Psychologists. FSBP is providing telehealth services to you at no out-of-pocket cost. You will have access to Amwell U.S. board certified doctors and therapists 24/7/365. You do not have to make an appointment and there is minimal waiting. The doctor is always in – midnight or midday, Amwell is available.

Note: Due to U.S. Federal regulations telehealth consultation services are not available to members located outside of the 50 United States. Also, although Telehealth is available in most states, some states do not allow telehealth or prescriptions, per state regulations. For a current list, visit: http://info.americanwell.com/where-can-i-see-a-doctor-online.

**How does it work?**
There are three easy ways to sign up:
1. Download the iOS or Android App by searching for “Amwell” at your mobile device’s app store
2. Sign-up on the web at www.Amwell.com
3. Sign-up by phone, call 844-733-3627


¹Rand Corporation Study

**We continue to explore new ways to bring healthcare closer to you by providing the benefits where and when you need them the most:**

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**In Memoriam**

**John Shumate**
former Executive Vice President of AFSPA

We are saddened to report that John P. Shumate passed away on Monday, August 15, 2016 at his home in Pittsboro, North Carolina. He was 81.

John joined the Foreign Service in 1957. Overseas assignments included Lima, Peru; Canberra, Australia; and Quito, Ecuador. Washington assignments included the Bureau of Intelligence and Research, the Foreign Service Institute (management studies), the Bureau of European Affairs (United Kingdom). He also worked at the Bureau of Cultural Affairs in ICA/USIA, the Office of the Under Secretary for Management, and the Bureau of Administration where he served as executive director.

Following his retirement from the Foreign Service, John became the Executive Vice President of the American Foreign Service Protective Association in 1985. He served in that capacity for almost 25 years. During that time, AFSPA increased its outreach efforts and expanded its membership beyond its traditional Foreign Service base. We grew and evolved into the vital organization we are today.

The Senior Living Foundation was born out of his concern for retired colleagues. What was only a dream has become an integral part of the support system for the Foreign Service family. He will be remembered for his vision and dedication to our mission of “Taking Care of Our Own.”
Under the Affordable Care Act (ACA), individual taxpayers are required to maintain “minimum essential coverage” throughout the year for themselves and their dependents. If you don’t maintain such coverage, you generally owe a tax penalty that has been increasing each year. There are two different ways to calculate the so-called “shared responsibility payment.”

The simplest calculation is the flat dollar amount, which has increased for 2016 to $695 per adult in the household and $347.50 per child up to a family maximum of $2,085. However, the penalty also can be based on 2.5% of household income in excess of the filing threshold. For 2016, it could be as much as $2,676 per person for higher income families without minimum essential coverage or without any qualifying exemptions under the law. The penalty is assessed on a monthly basis, so you need to prove that you and each other person listed on your Federal income tax return has minimum essential coverage or an acceptable exemption for each month of the tax year. IRS Form 8965 has worksheets to calculate your shared responsibility penalty. Furthermore, beginning with the 2015 tax year, health plans are required to report minimum essential coverage to the IRS for each covered individual on Form 1095-B.

In June, the IRS released draft individual tax forms for 2016, and it looks like the system for reporting individual coverage under the ACA will remain the same as in prior years. If you and your family have qualifying health insurance for all of 2016, you will need to check the “full coverage” box on page 2 of your 2016 Federal individual income tax return. If you or a family member did not have qualifying coverage for all or a portion of 2016, you will not check the full coverage box on Form 1040. Instead, you will complete Form 8965 to explain who did or did not have coverage in your household and claim any exemptions from the coverage requirement.

There are two exemptions that are most relevant for federal employees serving overseas and their families: the “short term coverage gap” exemption and the “citizens living abroad and certain noncitizens” exemption. A full list of exemptions can be found in the Form 8965 instructions.

The short term coverage gap exemption is easy to explain. We are all allowed to go without coverage for one consecutive period of less than three months each year. This allows time to rearrange coverage when an employee and family return to the United States after a stint overseas.

The citizens living abroad and certain noncitizens exemption would be relevant if the spouse or children of an employee were not covered by an FEHB plan but were U.S. citizens or U.S. resident aliens who were bona fide residents of a foreign country for the entire tax year. In the case of U.S. resident aliens, they also must be citizens of a country with which the U.S. has a tax treaty. This exemption also applies to a spouse or children who are U.S. citizens or U.S. resident aliens who can pass the “physical presence” test because they spent 330 days or more out of a consecutive 365 day period outside of the U.S. The bona fide resident and physical presence tests are thoroughly explained in IRS Publication 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad. The citizens living abroad and certain noncitizens exemption also applies to nonresident aliens in some situations, but this topic is beyond the scope of this brief update article.

If you need help understanding how to comply with the ACA requirements or any other tax situation, contact Beers, Hamerman, Cohen, Burger, P.C. AFSPA members receive a free consultation and discount from standard rates. For more information, visit www.afspa.org.

John F. Ermer, a certified public accountant, is a partner in the accounting firm of Beers, Hamerman, Cohen, Burger, P.C., in New Haven, Connecticut. He earned a Master of Business Administration from Texas A&M University and a Master of Science in Taxation from the University of Hartford. Contact him at 203-787-6527 or jermer@bhcaca.com.
Over the summer, the Federal Long Term Care Insurance Program (FLTCIP) announced that a new contract for servicing the program would result in higher premiums for many enrollees effective November 1, 2016. The average increase was 83%, and some saw their premiums increase as much as 126%. While this came as a shock to many enrollees, it reflects the challenges of predicting future costs for care as medical advances have increased life expectancy and made many conditions chronic that were once fatal.

Long Term Care Insurance (LTC) is a relatively new product, dating back only to the late 1980’s. Carriers faced challenges in trying to price a product (a) for which they had no actuarial history, and (b) for a loss that may not be realized for literally decades in a market for which they could not possibly predict the end cost. Despite underwriters’ best attempts to look into the crystal ball, LTC policies from the early years (1980s to 1990s) suffered from being underpriced. This was due to claim assumptions that were too aggressive, underwriting practices that were too loose, and inaccurate mortality, lapse, and interest rate assumptions.

Several professionals in the industry have stated that with respect to the pricing assumptions for LTC insurance, there have been three major areas where current reality turned out to be quite different from prior expectations:

- **Lower-than-expected investment income**
  
  Interest rates are a very material assumption affecting LTC insurance profits. Insurance companies routinely rely on interest income to fund claims. Thirty years ago, no one could have predicted that interest rates would be this low for this long.

- **Lower-than-expected lapse rates**
  
  When a policyholder lapses or dies, that accumulated reserve from their premium payments is distributed to those who remain in the pool. Back then, actuaries believed that the lapse rate on LTC policies would be comparable to other similar businesses. That was not the case, as folks held on to their policies, afraid of losing the benefits they had been funding for decades.

- **Higher-than-expected morbidity experience**
  
  Morbidity is perhaps the most complex of all assumptions that support LTC products, as it involves incidence rates, claim continuance patterns, and the proportion of LTC costs that are utilized when a claim occurs. The advances in medical technology have resulted in wonderfully positive outcomes. More people are living longer with conditions, like cancer, that were thought to be terminal just a few decades ago. People are living longer, but not necessarily better. Greater numbers of Americans need more care in their later ages. In addition, the price of nursing home care continues to increase year after year.

When FLTCIP began, it welcomed all enrollees and did not require full medical underwriting. This meant that coverage was available to all who enrolled, even those with a medical condition that would not allow them to be accepted in a commercial LTC plan. Reviews of the program today show that the adjustments are necessary to FLTCIP premiums for the program to remain viable.

The news of the changes to the FLTCIP premiums prompted AFSPA to take a closer look at the three long term care insurance programs we have offered over the years. Remember, our programs are from private insurance companies that offered the plans to AFSPA members at commercial group rates. All three companies required medical underwriting when members enrolled, meaning that those who were accepted were in relatively good health at the time of enrollment. The insurers are well within their contractual right to increase premiums for a specific class of enrollees. And, some have over the years to assure the plan as a whole remains financially viable.

In a more stable group. To alleviate your concerns, we contacted all three insurers.

- **John Hancock** explained that AFSPA’s group already realized a premium increase in the past and are in a different risk pool separate from the FLTCIP. They do not anticipate a premium increase on the AFSPA group in the immediate future.

- **Mutual of Omaha Insurance Company**, which was our original plan, has not had a premium increase since its inception in 1990. They do not anticipate an increase at this time or in the near future.

- **The Prudential Insurance Company of America**, which covers only a few of our members, explained that an increase in premium is possible to meet future needs. But they will continue to monitor industry trends to determine if it necessitates a raise in premiums.

When we first began offering a long term care product in 1990, we believed then, as we do now, that the underwriter we chose, Mutual of Omaha, was a well-run, conservative company. The same considerations went into choosing the subsequent companies in John Hancock and Prudential. As the long term care policy market has evolved, we decided it was in the best interest for our members not to sponsor just one policy. AFSPA chose to offer the services of a credible expert to discuss your personal financial future, who can learn about you and your future needs and research the best outcome for YOU.

AFSPA is here to answer your questions regarding your current coverage. If you wish to update, add, or enroll in a long term care plan, our partners at Signature Financial Partners, LLC are available to assist you. They can be contacted at 703-287-7101 and tell them you are a member of AFSPA. This information can also be found on our website, www.afspa.org.
HEDIS Measures and Your Health

The Office of Personnel Management (OPM) has made wellness and prevention key initiatives for all Federal Employees Health Benefit (FEHB) plans. The Healthcare Effectiveness Data and Information Set (HEDIS) is a tool used by America’s health plans to measure performance on important dimensions of care and service. OPM holds FEHB plans to these performance measures as well.

If you have been selected for the HEDIS data set and we don't have claim information on you, we may send you a letter or call you requesting you to obtain specific information from your physician. If we do, please obtain the information and send it back according to the directions provided.

HEDIS measures address a broad range of important health issues. Among them are:

- Asthma Medication Use
- Controlling High Blood Pressure
- Comprehensive Diabetes Care
- Breast Cancer Screening
- Prenatal Care
- Well-Child Care

For more information on HEDIS measures, visit: www.ncqa.org/HEDISQualityMeasurement/WhatisHEDIS.aspx

Below are a few of these major health issues and what you can do to ensure you obtain the necessary screenings and care:

<table>
<thead>
<tr>
<th>Health Issue</th>
<th>What You Need to Know</th>
<th>What You Can Do</th>
<th>What FSBP Covers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes Management</td>
<td>Blood Sugar Screening, or Hemoglobin A1c testing, reports your average level of blood sugar and indicates how well you are managing your diabetes. Carefully controlling blood sugar levels, performing regular tests, and making healthy choices can prevent or delay diabetes complications such as nerve, eye, kidney, and blood vessel damage.</td>
<td>If you have diabetes, get your A1c test done at least yearly. Aim for an A1c score of 8% or lower to help delay the onset of diabetes-related complications.</td>
<td>As part of a routine physical, covered at 100% Plan allowance when obtained through our network (includes Guam) or a provider outside the 50 United States.</td>
</tr>
<tr>
<td>Controlling High Blood Pressure</td>
<td>High blood pressure can lead to serious heart and health conditions. Incorporating healthy lifestyle behaviors and taking medications to reduce blood pressure can provide health benefits and can lead to improved longevity.</td>
<td>Visit your physician regularly to make sure your blood pressure is adequately controlled.</td>
<td>As part of a routine physical, covered at 100% Plan allowance when obtained through our network (includes Guam) or a provider outside the 50 United States.</td>
</tr>
<tr>
<td>Prenatal Care</td>
<td>Regular prenatal care is essential to your health and the health of your baby. Prenatal care should start early, within the first trimester, and continue throughout the pregnancy to reduce the risk of complications and help ensure a healthy baby.</td>
<td>Visit your physician early on and throughout your pregnancy to help ensure a healthy baby.</td>
<td>Covered at 100% Plan allowance when obtained through our network (includes Guam) or a provider outside the 50 United States.</td>
</tr>
<tr>
<td>Well-child Care</td>
<td>Regular visits to the doctor help keep your child healthy by providing preventive care, necessary immunizations and screenings for childhood health issues.</td>
<td>Take your child to a primary care practitioner regularly. The American Academy of Pediatrics recommends at least six well-child visits by the time your child is 15 months old.</td>
<td>Covered at 100% Plan allowance when obtained through our network (includes Guam) or a provider outside the 50 United States.</td>
</tr>
<tr>
<td>Hospital Readmissions</td>
<td>Hospitalization, whether planned or unplanned, can be stressful for the whole family. When a loved one must be readmitted due to a relapse or failure to improve, it not only prolongs the stress and increases the financial burden, it also can increase the patient’s exposure to infection.</td>
<td>Follow your post-discharge care plan. Know exactly what medications are being prescribed, what the schedule is for taking them, and any possible side effects or drug interaction issues.</td>
<td>Covered at 100% Plan allowance when hospitalized at an in-network hospital (includes Guam) or a hospital outside the 50 United States.</td>
</tr>
</tbody>
</table>
Security at Home – Continued...

By Yancy Meiller, IT Manager

In the Summer 2016 newsletter, I covered the topic of security at home, and how ransomware can affect users. In this article, we will do a quick overview of what we, as computer users, can do to stay up-to-date with our operating system security.

Windows users:
Ensure you are up to date with “Windows update.” Follow the instructions below to turn on automatic updates on your PC.

Windows 10
Windows 10 periodically checks for updates. When an update is available, it is automatically downloaded and installed.
   a. To manually check for updates, go to Settings.
   b. Then select Update & Security.
   c. Select Windows Update and select Check for updates.

Windows 8 and 8.1
a. Open Windows update by swiping in from the right edge of the screen (or, if you’re using a mouse, by pointing to the lower-right corner of the screen and moving the mouse pointer up), then clicking Settings, clicking Change PC settings, and then clicking Update and recovery.
   b. Click Choose how updates get installed.
   c. Under Important updates, select the option that you want.
   d. Under Recommended updates, select the Give me recommended updates the same way I receive important updates checkbox, and then click Apply.

Mac users:
Follow the instructions below to keep your systems up-to-date:
   1. Open the App Store app on your Mac.
   2. Click Updates in the toolbar.
   3. If updates are available, click the Update buttons to install them.

Do you have comments or questions related to this or any other IT articles? Contact us via email: helpdesk@afspa.org. We are here to help.

NEW Changes to Our Website

We have restructured the navigation flow of the AFSPA website! Information is grouped to improve your navigation experience.

► You now will be able to find information under “ALL ABOUT FSBP” related to:
  • Enrollment
  • Electronic Funds Transfer
  • Claims
  • Members overseas
  • My Right to Know
  • Providers
  • FSAFeds

► Our new “Wellness Incentives” section covers:
  • Healthy Actions
  • More Wellness
  • Discount Programs
  • myStrength™

► Related to FSBP Prescription coverage, you can find the following information, under “Prescriptions”:
  • Costs
  • More RX info
  • Safety alerts
  • Specialty Medications

► Looking for an overseas facility with whom we have direct billing relationships? Check our new “Overseas Partners” section. You will find partners located in the following areas:
  • Asia
  • Europe
  • Central & South America

► We have revamped our helpful links, and organized the links by:
  • FSBP & Related Services
  • Medicare
  • Health & Wellness Information

Save on lab work with in-network lab benefits

Starting in 2017, you can save out-of-pocket costs by getting lab work done through Quest Diagnostics. Show your FSBP identification card and tell your physician to use your Quest Outpatient Lab benefit. If the physician draws the specimen, he/she can call 800-646-7788 for pick-up. You also can go to an approved collection site and show your FSBP ID card with the test requisition from your physician and have the specimen drawn there. FSBP pays 100% of plan allowance for covered lab tests.

This benefit applies to expenses for lab tests performed in the 50 United States only.
This is the third installment of my column responding to member inquiries and addressing member concerns. I truly appreciate those members who have reached out to me and given me the opportunity to help them. Their questions, I hope, will help others when similar situations arise.

I used the online provider search tool to find a provider in my area. I called one and found that the practice is closed, and another explained they are no longer accepting new patients. What should I do?

This happens more often than we like, and I understand your frustration. Our partners at Aetna manage the provider network for the Foreign Service Benefit Plan. However, providers are independent contractors and not agents of Aetna; therefore, their participation may change without notice. Aetna strives to communicate to providers the importance and their contractual obligation to communicate within 7 days of their knowing that a change in location, hours, or status has occurred. While every effort is made to include accurate, complete and current provider information in directories and search tools, it is dependent upon the provider. This is one of the reasons we recommend that you always call the provider before your appointment to confirm his/her network status.

When you do find incorrect information during a provider search query, or cannot locate a participating provider, you should call us at 202-833-4910 and/or contact us through a secure form at www.afspa.org/secureforms.cfm. Answer two or three questions and you will be at the right form. These forms are tracked through a ticket system in our office, and multiple people have access to the forms. This ensures that your message will not get lost or delayed because someone is out of the office.

My children are adults now – out of school with their own jobs. Why are they still covered on my Foreign Service Benefit Plan? Can I remove them from my coverage?

If you are enrolled in a health plan under the Federal Employee Health Benefits (FEHB) Program with Self and Family coverage – including the Foreign Service Benefit Plan – the plan will cover all eligible family members. The FEHB regulations state that eligible family members include: the employee, the employee's spouse, and the employee's children up to age 26. Your children don’t have to live with you or be financially dependent on you. As long as they meet the eligibility requirements and you have Self and Family coverage, they will be covered. You cannot remove them from coverage unless you change your enrollment type to Self Only or Self Plus One (to cover you and one other dependent).

Coverage does not extend to your children's spouse or your children's children. If your child has other coverage through an employer or a spouse's employer, that plan will pay primary and your FEHB plan will pay secondary.

I continue to welcome your feedback and encourage you to contact me at kyle.longton@afspa.org.

What does Commitment to Service mean to you?

Christian Walker-Jenkins
Health Benefits Officer
Started at AFSPA July 2015

“When I think of Commitment to Service, I think of AFSPA’s core values. Our values, W.E.C.A.R.E., describe our commitment to serve our members. This means I work tirelessly to demonstrate ethical and honest behavior. I execute W.E.C.A.R.E. every day and it gives me a great sense of gratitude. It is advocating for our members, researching when necessary, and communicating with health care providers when needed. Commitment to Service means to take the extra step and to go the extra mile.”
Meet the Compliance Team

<table>
<thead>
<tr>
<th>Ms. Stefon Nicely</th>
<th>Ms. Yvonne Kalumo-Banda</th>
</tr>
</thead>
<tbody>
<tr>
<td>How long have you worked at AFSPA?</td>
<td>Nearly 2 years</td>
</tr>
<tr>
<td>Compliance Director</td>
<td></td>
</tr>
<tr>
<td>What is your official job title?</td>
<td>Compliance Coordinator</td>
</tr>
<tr>
<td>What are your major job responsibilities?</td>
<td>To support the Compliance Director in planning, implementing, and monitoring the compliance program. Another major function is assisting in the accreditation guidelines of FSBP.</td>
</tr>
<tr>
<td>As the Compliance Director and member of AFSPA's management team, I develop and implement compliance strategies to ensure an effective compliance program that validates our Mission, Vision, and Values.</td>
<td>The team ensures compliance with the:</td>
</tr>
</tbody>
</table>

- Health Insurance Portability and Accountability Act (HIPAA);
- Federal health care laws, regulations, and program requirements;
- Health Plan accreditation;
- Agreements and contracts; and
- Development of internal controls to monitor risk.

| What do you like about your job? | Compliance delves into all aspects of the business and it allows me to understand the pulse of the business. I am able to add value to the team by drawing from my experiences and knowledge. |
| I enjoy antiquing, painting, traveling, cooking, and riding my vintage motorcycle. | My job provides me an opportunity to draw from my previous work experience and education in legal, compliance, ethics, risk, project management, communications, IT, and quality, to make AFSPA's Compliance program a success. |

| What interests do you have outside of AFSPA? | I am a wife and mother to a 3-year-old boy. My family keeps me on my toes - sometimes literally. I try to read at least one book a month, I am an eclectic music lover and attend concerts. I also am involved actively in my church. |
| AFSPA offers quality health care products and services. We couple that with excellent customer service. We pride ourselves in offering premium products, which are supported by premium service. Commitment to Service is intelligent planning and focused effort, which the Compliance team makes sure we do. |

| What does Commitment to Service mean to you? | Commitment to Service means managing and being accountable for member issues - good, bad, or indifferent - clarifying members’ issues to resolve their concerns, researching service gaps, and finding solutions. |
| Chairman, Ambassador Tom Tracy, welcomes new staff to AFSPA. | FSBP earned comprehensive health plan accreditation through the Accreditation Association for Ambulatory Health Care, Inc. (AAAHC) |

What is Accreditation?
It is a process for granting public recognition to organizations that meet external standards of quality. OPM required all FEHB plans receive accreditation by April 2017. FSBP is in full compliance. FSBP has made a commitment to enhance the quality of services and programs continually. Our focus is on member satisfaction.

How did FSBP prepare for Accreditation?
The Compliance Team analyzed over 475 accreditation standards outlined in AAAHC’s FEHB Handbook and identified over 3,000 deliverables. They consistently communicated with staff and partners - Aetna, and Express Scripts - on the accreditation process, expectations, and next steps. The Compliance Team gathered and prepared over 1,500 documents for the surveyors’ review.

What does Accreditation mean for our members?
It means higher quality member service and measurements of performance to assure that we fulfill our Mission, Vision, and Values.
### Statement of Financial Position

#### December 31, 2015

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>$734,852</td>
</tr>
<tr>
<td>Investments</td>
<td>932,169</td>
</tr>
<tr>
<td>Accounts receivable &amp; prepaid expenses</td>
<td>579,053</td>
</tr>
<tr>
<td>FEHB reimbursement receivable</td>
<td>1,000,415</td>
</tr>
<tr>
<td>Real estate, held for sale</td>
<td>2,902,452</td>
</tr>
<tr>
<td>Deferred compensation plan assets</td>
<td>76,353</td>
</tr>
<tr>
<td>Escrow deposits</td>
<td>92,497</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$7,817,709</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities &amp; net assets available for benefits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable &amp; other liabilities</td>
<td>$641,428</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>571,158</td>
</tr>
<tr>
<td>Mortgage payable</td>
<td>775,771</td>
</tr>
<tr>
<td>Deferred rent</td>
<td>1,372,342</td>
</tr>
<tr>
<td>Deferred compensation plan liability</td>
<td>76,353</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$3,437,052</strong></td>
</tr>
</tbody>
</table>

| Net Assets Available for Benefits              | $4,380,657 |
| Total Liabilities & Net Assets                 | **$7,817,709** |